



# House of Representatives

General Assembly

**File No. 82**

February Session, 2006

House Bill No. 5016

*House of Representatives, March 22, 2006*

The Committee on Environment reported through REP. ROY of the 119th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## **AN ACT ESTABLISHING A CONNECTICUT STATE PARK FOUNDATION.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2006*) (a) There is established a
- 2 Connecticut State Park Foundation, the resources of which shall be
- 3 used by the Connecticut State Park Foundation Council established
- 4 pursuant to subsection (b) of this section to fund programs and
- 5 projects that support the infrastructure and operations of Connecticut's
- 6 state parks and forest recreation areas. The resources of the foundation
- 7 shall be in addition to resources otherwise appropriated by the state
- 8 for such programs and projects. The foundation shall be organized and
- 9 comply with the provisions of sections 4-37e to 4-37k, inclusive, of the
- 10 general statutes. The foundation shall be subject to the provisions of
- 11 chapter 14 of the general statutes and subject to the same conditions
- 12 and exceptions of said chapter 14 as a state agency. The foundation
- 13 may apply for and accept any state, federal or private funds and shall
- 14 administer such funds in the manner required by applicable law. The

15 foundation may receive money or grants and goods, services and gifts  
16 and may operate in cooperation with and contract for services with  
17 other foundations. The books and records of the foundation shall be  
18 subject to audit by the Auditors of Public Accounts.

19 (b) There shall be established a Connecticut State Park Foundation  
20 Council composed of eleven members as follows: (1) The  
21 Commissioners of Environmental Protection and Public Works and the  
22 executive director of the Connecticut Commission on Culture and  
23 Tourism, or their designees; and (2) the following eight public  
24 members, to be appointed by the Governor and whose terms shall be  
25 coterminous with the term of office of the Governor: (A) A  
26 representative of a state-wide association dedicated to the promotion  
27 of parks, forests and hiking trails; (B) a representative of the state-wide  
28 organization Friends of Connecticut State Parks, Inc.; (C) a  
29 representative of a Friends of Connecticut State Parks, Inc.  
30 organization from a shoreline state park; (D) a representative of a  
31 Friends of Connecticut State Parks, Inc. organization from an inland  
32 state park; (E) two representatives of the business community with  
33 experience in fund-raising; and (F) two other individuals with  
34 experience in fund-raising. Members shall serve until their successors  
35 are appointed. Vacancies in memberships shall be filled by the  
36 Governor for the balance of the term vacated. The council shall solicit  
37 and accept funds on behalf of the Connecticut State Park Foundation  
38 established pursuant to subsection (a) of this section, to be used for  
39 programs and projects that support the infrastructure and operations  
40 of Connecticut's state parks and forest recreation areas. The council  
41 shall adopt policies and procedures for the acceptance and expenditure  
42 of such funds.

43 (c) The council shall seek to develop public and private partnerships  
44 with organizations, institutions, corporations and individuals who  
45 share an interest in stewardship of state park and forest recreation  
46 areas. The goal of such partnerships shall be to provide a public benefit  
47 consistent with the mission of the state in managing its assets. Such  
48 partnerships shall be designed to increase the ability of the

49 Department of Environmental Protection to be a stronger steward of  
50 state park and forest assets. The Commissioner of Environmental  
51 Protection may place reasonable conditions on any donation to ensure  
52 that the general statutes, regulations of Connecticut state agencies and  
53 policies of the department are complied with. No improvements to  
54 state property pursuant to the provisions of this section shall be made  
55 without the written approval of the Commissioners of Environmental  
56 Protection and Public Works.

57 (d) On or before July 1, 2007, and annually thereafter, the  
58 Connecticut State Park Foundation Council shall report, in writing, to  
59 the Governor concerning the source and amount of funds received by  
60 said council and by the Connecticut State Park Foundation and the  
61 manner in which such funds were administered and disbursed. The  
62 initial report shall include information on the policies and procedures  
63 developed pursuant to subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2006	New section

**ENV**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Department of Environmental Protection	SF - Revenue Impact	See Below	See Below
Various State Agencies	GF - None	See Below	See Below

Note: SF=Special Fund (Non-appropriated); GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

It is anticipated that the establishment of a Connecticut State Park Foundation to help fund Connecticut State parks and forest recreation areas could increase revenue available to operate and maintain these lands and facilities. These funds are to be used in addition to the resources otherwise appropriated for these areas. The exact increase in revenue is unknown.

It is anticipated that the State Auditors can perform audits of the Connecticut State Park Foundation within their normal budgetary resources. Any increase to the workloads of the Connecticut State Park Foundation Council member agencies is anticipated to be within their normal budgetary resources.

#### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future.

**OLR Bill Analysis****HB 5016*****AN ACT ESTABLISHING A CONNECTICUT STATE PARK FOUNDATION.*****SUMMARY:**

This bill establishes a Connecticut State Park foundation and council. Under the bill, the foundation may receive money, grants and goods, services, and gifts that the council can use to fund programs and projects that support the infrastructure and operations of state parks and forest recreation areas. The foundation is a tax exempt, charitable organization (see BACKGROUND).

The bill establishes the 11-member council's responsibilities, including annually reporting to the governor beginning no later than July 1, 2007 (1) the source and amount of funds it and the foundation received and (2) how it used the funds. The initial report must include information on the policies and procedures it develops for accepting and spending the funds.

EFFECTIVE DATE: July 1, 2006

**FOUNDATION**

The foundation may apply for and accept any state, federal, or private funds and must administer the funds as required by law. Any funds or resources it receives or raises are in addition to the resources otherwise appropriated by the state for park and forest programs and projects.

The foundation is organized under, and must comply with, the laws concerning foundations that are established to support or improve state agencies, including that salaries, benefits, and expenses of officers and employees of the foundation must be paid for solely by the

foundation and that it must submit a list of its members to the Department of Environmental Protection (DEP). The bill subjects the foundation to the same conditions and exceptions of the Freedom of Information Act as a state agency.

The foundation's books and records are subject to audit by the Auditors of Public Accounts.

## **COUNCIL**

### ***Membership***

The Connecticut State Park Foundation Council is composed of eleven members. Three are the DEP and the Department of Public Works (DPW) commissioners and the executive director of the Connecticut Commission on Culture and Tourism, or their designees. The governor must appoint eight public members as follows:

1. one representative of a state-wide association dedicated to the promotion of parks, forests, and hiking trails;
2. two business community representatives with experience in fund-raising and two other individuals with experience in fund-raising; and
3. three from Friends of Connecticut State Parks, Inc. of whom one must be from a shoreline state park organization, and one from an inland state park organization.

Members' terms coincide with the governor's, and they serve until their successors are appointed. Membership vacancies are filled by the governor for the balance of the term vacated.

### ***Duties***

The council must solicit and accept funds on behalf of the Connecticut State Park Foundation for programs and projects that support the infrastructure and operations of Connecticut's state parks and forest recreation areas. The council must adopt policies and procedures for accepting and expending the funds.

The council must seek to develop public and private partnerships with organizations, institutions, corporations and individuals that share an interest in stewardship of state park and forest recreation areas. The goal of the partnerships must be to provide a public benefit consistent with the mission of the state in managing its assets. The partnerships must be designed to increase DEP's ability to be a stronger steward of state park and forest assets.

The DEP commissioner may place reasonable conditions on any donation to ensure compliance with state law and regulations and DEP policies. Any improvements to state property proposed by the council can only be completed with the written approval of the DEP and DPW commissioners.

## **BACKGROUND**

By law, a "foundation" is an organization, fund, or other legal entity (1) exempt from taxation under section 501(c)(3) of the 1986 Internal Revenue Code, as amended, and (2) established to receive or use private funds for charitable, scientific, cultural, educational or similar purposes that support or improve a state agency. A foundation is deemed not to be a state agency or a public agency (CGS § 4-37e).

Under federal law, organizations described in Internal Revenue Code Section 501(c)(3) are commonly referred to under the general heading of "charitable organizations." The earnings of these organizations may not benefit any private shareholder or individual. In addition, the organization may not attempt to influence legislation as a substantial part of its activities and it may not participate at all in campaign activity for or against political candidates.

## **COMMITTEE ACTION**

Environment Committee

Joint Favorable

Yea 25 Nay 0 (03/08/2006)